

May 12, 2006

TO: Rural Development State Directors,
Rural Development Managers, and
Area Directors

ATTENTION: Rural Housing Program Directors

FROM: Russell T. Davis (Signed by Russell T. Davis)
Administrator
Housing and Community Facilities Programs

SUBJECT: Procedure for Ordering Dun and Bradstreet Commercial Credit
Reports for Single Family Housing
and Multi-Family Housing

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) provides guidance on ordering Commercial Credit Reports for Single Family Housing (SFH) and Multi-Family Housing (MFH) programs, including guidance in ordering individual consumer credit reports on the owner/principal(s). Commercial credit reports are required for SFH general or dealer/contractor approvals and MFH loan making, including Farm Labor Housing.

COMPARISON WITH PREVIOUS AN:

This AN amends RD AN No. 4088 (1910-C), dated June 6, 2005.

IMPLEMENTATION RESPONSIBILITIES:

The effective allowable fee to be charged for each commercial credit report is \$40 and the fee for a consumer (individual) report is \$28 for each individual owner, principal or applicant.

EXPIRATION DATE:
June 30, 2006

FILING INSTRUCTIONS:
Preceding RD Instruction 1910-C

There are Six Regional Coordinators nationwide who have been selected to provide commercial credit reports within their regions. The National Office continues to award contract funds for the Dun and Bradstreet (D and B) Reports.

The "host" States and the States within the Region are as follows:

COLORADO

Denise Coit
Com: 720-544-2920
Fax: 720-544-2970

**Southwest Region: NV, UT, AZ, CO, NM, OK, TX, HI,
and West Pacific Territories**

MICHIGAN

Lenore Dryer
Com: 517-324-5199
Fax: 517-324-5225

**North-central Region: ND, SD, NE, MN, IA, WI, MI,
and IN**

VIRGINIA

Barbara Carey
Com: 804-287-1564
Fax: 804-287-1784

**Southeast Region: AL, FL, GA, NC, SC, VA,
and WV**

KENTUCKY

Elizabeth Moore
Com: 859-224-7322
Fax: 859-224-7450

**South-central Region: KS, MO, IL, KY, AR, TN, LA,
and MS**

MONTANA

Jo Hart
Com: 406-585-2576
Fax: 406-585-2565

Western Region: AK, WA, OR, CA, MT, ID, and WY

OHIO

Melodie Taylor
Com: 614-255-2418
Fax: 614-255-2561

**Northeast Region: OH, PA, NY, MD, DE, NJ, MA, CT, RI,
VT, NH, and ME**

For MFH programs, commercial credit reports are ordered for each newly formed general partner or principal organization. Credit reports are also required for established profit partnerships, corporations and general partner. An individual (consumer) report is required for each individual applicant, including co-applicants; on each general partner or principal who is an individual of a newly formed for-profit partnership or corporation and for each general partner or principal of an established for-profit partnership or corporation as necessary to make a credit determination. This would include individual applicants under Farm Labor Housing (FLH). Typically, commercial credit reports will not be requested for newly formed nonprofit organizations and may be ordered for an established nonprofit organization at the discretion of the State Director. The fee may be waived for nonprofit organizations. See 7 CFR part-3560, §3560.56(d)(5), and the MFH Loan Origination Handbook HB-1-3560, Exhibit 4-7

For SFH Programs, commercial reports will be obtained when required to determine the financial and managerial capacity of a general contractor or dealer/contractor. Typically, when a dealer/contractor or general contractor is a firm, a commercial credit report will be ordered on the firm and an individual (consumer) credit reports on each of the principals. If the dealer/contractor or general contractor is a sole proprietorship, a commercial report as well as an individual (consumer) report will be obtained pursuant to RD Instructions 1910-C, §1910.105 and §1910.106 (f) and the Direct Single Family Housing Handbook HB-1-3550 Chapter 5, Paragraph 5.22 and Chapter 9, Paragraph 9.17.

UniFi is only to be used to obtain individual reports for single-family housing applicants. D and B will be the only source for obtaining individual credit reports on the principal(s)/owner(s) of manufactured housing dealers, building contractors, and applicants for FLH and/or MFH. Attachment 1, to this AN must be completed for each commercial credit report requested and will be faxed to the State Office, Attention: D and B Regional Coordinator. Form RD 451-2 must also be completed to remit payments for the credit reports. You may access the form at <http://www.rurdev.usda.gov/regs/forms/0451-02.pdf>.

If you have any questions concerning commercial credit reports, please contact Tammy S. Daniels of the Multi-Family Housing Processing Division at (202) 720-0021.

Attachment

REQUEST FOR COMMERCIAL CREDIT REPORT

To: State Director
Attn: State Coordinator for Commercial Credit Reports

BUSINESS INFORMATION:

Business Name

Business Street Address

City

State

Zip Code

Business Telephone
(including Area Code)

Business Tax ID#

DUNS # (if Known)

PRINCIPAL INFORMATION:

Name

Name

Street Address

Street Address

City

State

Zip Code

City

State

Zip Code

Home Telephone Number (including Area Code)

Home Telephone Number (including Area Code)

Social Security Number

Social Security Number

Percentage of Ownership

Percentage of Ownership

NOTE: If requesting individual reports on more than two principals, duplicate and complete a second page omitting the business information. Percentage of individual ownership should equal 100%

REPORT TYPE REQUESTED FOR: (mark one)

General Contractor _____

Dealer/Contractor _____

MFH Applicant/Borrower _____

\$ _____

Credit Report
Fee(s) Collected

Date Collected

Collecting Official

CDM/RDM

Date Requested

Office Address

Telephone (Commercial) (FAX)

TO BE COMPLETED BY STATE COORDINATOR ONLY: The above information has been reviewed for completeness and forwarded to the HOST State:

Signature of State Coordinator

TO BE COMPLETED BY ORDERING OFFICIAL IN HOST STATE:
